STANDARD FORM 424A CLARIFYING INSTRUCTIONS

The applicant must prepare the proposed budget using Standard Form 424A or comparable format.

Sections A, B, C, and D of the Budget Information Form should include budget estimates for the entire grant period. In Sections A and B, four basic grant function areas are required. They are: (1) Headquarters Administration; (2) Local Administration; (3) Enrollee Wages and Fringe Benefits; and (4) Other Enrollee Costs. Costs attributable to these functional areas are described in the regulations and Older Worker Bulletins. Applicants must ensure that the proportional distribution of the Federal funds among these functional areas meets the program requirements.

The following information is intended to clarify instructions for completing each section of the budget forms. The regulations at 20 CFR sections 641.401-407 should be reviewed as well as OW Bulletins. Local administration includes estimated sums associated with the administration of State and local SCSEP project activities, including subgrantees, subcontractors, or other affiliates. (Older Americans Act Amendments of 2000 § 502(b)(1)(R)).

Section A - Budget Summary

Lines 1 - 4, Columns (a) and (b).

Under Column (a), enter the following:

Line 1 - "Administration";
Line 2- "Local Admin. (Administration);
Line 2 - "EW/FB" (Enrollee Wages and Fringe Benefits);
Line 3 - "OEC" (Other Enrollee Costs).

Under Column (b) on Line 1, enter "17.235".

Lines 1 - 4, Column (c) through (g). Leave Columns (c) and (d) blank. For each line entry under Column (a), enter in Columns (e) (Federal), (f) (Non-Federal), and (g) (Total) the appropriate amounts of funds needed to support the project for the grant period.

Line 5. Show totals for all columns used. Applicants should note that the non-Federal share must be no less than 10 percent of the total cost of the project. The requirement for providing non-Federal funds is found in the legislation at section 502(c).

Section B - Budget Categories

In the column headings at Line 6 titled "Object Class Categories" columns (1) through (4), enter the titles of the grant program function areas (Administration, Local Admin., EW/FB, and OEC) shown on Lines 1 - 4, Column (a), Section A. For each program functional area fill in the total funds needed (Federal plus non-Federal) by object class categories. The object class categories are those listed in lines 6a. through 6k. including totals.

On Lines 6a. through 6h. (Personnel, Fringe Benefits, Travel, etc.) enter the estimated amount (include the Federal and non-Federal share) for each direct object class category under each column used. The columns represent the grant program function areas: Administration, EWFB, and OEC. All costs to be incurred under subgrants, contracts or affiliates should be reflected in line 6f (Contractual). The costs to be incurred under individual subgrants, subcontract, or affiliates must be properly attributed among the four basic program function areas (i.e., Administration, Local Administration, EW/FB, and OEC).

Under the Enrollee Wages and Fringe Benefits (EW/FB) column, entries may be made in three object class categories (line items): "Personnel", "Fringe Benefits" or "Contractual" (when funds for enrollee wages and fringe benefits are to be included in subgrants, subcontracts, or affiliates).

Line 6i. Show the total of entries made for lines 6a through 6h in each column.

Line 6j. Show the amount of indirect costs. A copy of the CURRENT indirect cost rate agreement must be sent with the application. If it is not available please provide an explanation and an estimate as to when it will be available.

Line 6k. Enter the totals of the amounts indicated on lines 6i and 6j. For all applications, the total amount in Column (5), Line 6k, should be the same as the total amount shown in Section A, Column (g), Line 5. Indeed all of the Totals found in line K of Section B should match those in Column (g) of Section A for the respective program function.

Line 7. Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount. Under the project narrative statement describe the nature and source of such income. Remember: Income generated by SCSEP projects must be used for SCSEP activities.

Section C - Source of Non-Federal Resources

Line 8. Enter amounts of non-Federal resources by source that will be used in the grant.

On Line (8) column (a) the only entry should be "SCSEP" (Senior Community Service Employment Program). A breakdown by functional areas is not necessary. Use Line (8) for entries under all columns. It is not necessary to make an entry under each column.

Column (b). Enter the amount of applicant cash and/or in-kind contributions to be made by the applicant organization.

Column (c). Enter the State government(s) contribution, if any.

Column (d). Enter the amount of cash and/or in-kind contributions to be made from all other sources.

Column (e). Enter totals of Columns (b), (c), and (d). The amount under Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Lines 9-11 should be left blank for all columns.

Line 12. Totals. Under each column enter the same figure entered in Line (8).

Section D - Forecasted Cash Needs

Make no entries.

Section E - Budget Estimates of Federal Funds Needed for Balance of Project

Make no entries.

Section F - Other Budget Information

Line 21 - Direct Charges. In the space provided type "A Detailed Cost Breakout is Attached."

A Detailed Cost Breakout is required with the grant application package. It is an attachment to the B In categorizing costs and their allocability, all sponsors must follow the Regulations at 20 CFR Part 641 Subpart D, sections 641.401, 402, 403, 404, 405, 406 and 407.

All applicants should prepare and submit a Detailed Cost Breakout. This Detailed Cost Breakout should be prepared so that the amounts can be traced to the individual entries on the SF 424A by object cost category and program function. It will provide in narrative form the detailed factors that were used to arrive at the numbers entered on the SF 424A. The applicant may be requested to provide additional information on the basis of its estimated costs by line item including the detail for the "Other" line item. Applicants are encouraged to provide sufficient information so that reviewers (panel members) can determine the nature and basis for the entries on the 424A. Extraordinary cost items such as planned conferences, travel, or unusual expenses should be described. When sponsors divide costs between the "Administration" and "Other Enrollee Cost" categories they should describe the basis for that division and include mention of surveys

or other methodologies used to determine the allocations to these two program functions. (See OW Bulletin 97-26).

Applicants must submit a copy of their travel policy as an attachment to the Detailed Cost Breakout. The Department of Labor reserves the right to require additional information on any budget line item or program function category.

Line 22 - Indirect Charges

Enter the type of indirect rate (provisional, predetermined, final, or fixed) that will be in effect during the grant period, and the nature and the amount of the base to which the rate is applied, and the total indirect charges.

The Grant Officer will advise the grant applicant of the documents and materials that must accompany the grant application in support of the request. Where indirect charges are approved, the terms and conditions relating to the payment of indirect costs, which are subject to negotiation by the Department, will be specified in the grant document. Those national nonprofit grantees proposing to utilize an indirect cost rate must submit a roster showing all positions and individuals that are direct grant charges and those positions that are in the indirect cost pool.

Include a copy of your agency's approved indirect cost rate agreement. It should cover the entire grant period. If not, state that a new one will be provided when available.

Line 23 - Remarks. Provide any other explanations or comments deemed necessary.

NOTE: APPLICANTS SHOULD HAVE CURRENT COMPUTER TECHNOLOGY AND ENSURE THEIR ORGANIZATIONS HAVE THE CAPABILITY TO LINK TO THE INTERNET. REPORTING WILL BE DONE THROUGH THE INTERNET.